Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Text

UNCLASSIFIED

PAGE 01 JIDDA 01789 01 OF 02 071343Z
ACTION NEA-10

INFO OCT-01 ISO-00 EB-08 /019 W
----------071354Z 055705 /44
R 071030Z MAR 77
FM AMEMBASSY JIDDA
TO USDOC WASHDC
SECSTATE WASHDC 7536
INFO AMEMBASSY KUWAIT
AMEMBASSY MANAMA
USINT BAGHDAD

UNCLAS SECTION 1 OF 2 JIDDA 1789

E.O. 11652: N/A
TAGS: BEXP, BTRA, SA
SUBJ: EDP TECHNICAL SALES SEMINAR, FEB 77 - JIDDA WRAP-UP

SUMMARY: THE JIDDA VISIT OF SUBJECT TSS RESULTED IN MIXED REVIEWS ON THE PART OF PARTICIPANTS DEPENDING ON INDIVIDUAL COMPANY GOALS AND SOME CONFUSION RE DISTRINCTIONS OF A SEMINAR VERSUS TRADE MISSION. ON BASIS OF RESULTS, PUBLICITY AND STIMULATION OF INTEREST IN THIS PRODUCT FIELD, EMBASSY REGARDS THE EFFORT AS A SIGNAL SUCCESS. SOME WORTHWHILE LESSONS WERE LEARNED AND NEW TACTICS USED PROVED VERY SUCCESSFUL. END SUMMARY.

1. FINAL COUNT OF ATTENDEES AT RECEPTION INCLUDED 79 SAUDIS FROM BUSINESS, GOVERNMENT AND THE PRO-GESSIONS PLUS 14 SEMINAR PARTICIPANTS AND UNANNOUNCED VISITORS FROM EUROPENA BRANCHES OF PARTICIPATING FIRMS (HONEYWELL BULL, BOEING AND MEMOREX). A DUTCH TREAT PRESS LUNCHEON CONFERENCE ATTENDED BY FOUR LOCAL JOURNALISTS PROVED TO BE AN EXCELLENT TACTIC TO PROVIDE FULL SCALE PUBLICITY FOR THE US SEMINAR TEAM. PHOTOS AS WELL AS NEWS ARTICLES
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 JIDDA 01789 01 OF 02 071343Z

APPEARED IN THE LOCAL PRESS THROUGHOUT THE VISIT. PAID ADVERTISEMENTS ALSO RESULTED IN GREATER NEWS LINES.

2. DEBRIEFING ON LAST DAY OF VISIT REVEALED THAT CODEX, MEMOREX, DATA GENERAL AND INTERNATIONAL DATA CORP. HAVE MADE ARRANGEMENTS FOR LOCAL REPRESENTATION.

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

CODES AND MEMOREX HAVE ALREADY SIGNED AGENCY AGREE-
MENTS. HONEYWELL IS AVOIDING REPRESENTATION AS IS
EDS WHICH IS ESTABLISHED HERE BUT ONLY WISHED MORE
EXPOSURE. BOEING ALSO RELIES ON COMPANY OFFICE HERE.

3. ALL PARTICIPANTS AGREE THAT THIS HAS BEEN MOST
POSITIVE STOP FOR EDP PROSPECTS. BOEING REP STATED
THAT SALES PERSON WHO JOINED GROUP BUT NOT LISTED
ON ANY MESSAGE FROM USDOC FOUND MORE BUSINESS
OPPORTUNITIES THAN EXPECTED. ONLY MEMOREX, HONEYWELL,
AND EDS PARTICIPATED IN EXHIBIT SECTION PROVIDED
WITHOUT CHARGE BY THE SAUDI COMPUTER CONFERENCE
GROUP. HONEYWELL'S EXHIBIT OF AN ARABIC DATA
TERMINAL STIMULATED ENORMOUS INTEREST AND NUMEROUS
INQUIRIES FROM OTHER EDP FIRMS FOR PURCHASE OF
THE TERMINAL. HONEYWELL REJECTED ALL OFFERS
BECAUSE IT INTENDS TO SELL COMPLETE SYSTEMS,
NOT EQUIPMENT. ICL'S ARABIC TERMINAL PALED IN
COMPARISON. NON TS SEMINAR US FIRMS WHICH
PARTICIPATED IN EXHIBITS AND CONFERENCE WERE IBM,
NCR, SCICON SYSOREX, ADDRESSOGRAPH-MULTIGRAPH AND
HEWLETT-PACKARD. ALL ARE LOCALLY REPRESENTED.
THE ONLY NON-US COMPETITION WAS FROM UK WITH
ICL AND JM BABB RACAL MILGO LTD PARTICIPATING
IN CONFERENCE AND EXHIBITS. DESPITE MISGIVINGS OF
US TSS MEMBERS ABOUT ATTACHING TO NATIONAL
CONFERENCE, OUR PRESENCE AND RESPONSIVENESS RESULTED
IN WHOLESOME DOMINATION IN TERMS OF PRESENCE AND
INFLUENCE ON SAUDI ATTENDEES. THERE WAS DILUTION
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 JIDDA 01789 01 OF 02 071343Z

OF US SEMINAR TEAM BUT LARGER CONFERENCE ASSURED
MAXIMUM ATTENDANCE.

4. PLENARY OPENING SESSIONS OF CONFERENCE ATTRACTED
257 ATTENDEES, ALL OF WHOM VIEWED EXHIBITS AND MADE
AWARE BY PRINTED SAUDI PROGRAM OF PRESENCE US
PARTICIPANTS.

5. ATTENDEES AT FEBRUARY 21
BUFFET RECEPTION INCLUDED 2 REPS OF
HEWLETT-PACKARD, 3 FROM COMPUTER SCIENCES CORP.
OF MCLEAN, VIRGINIA, 4 EMPLOYEES OF HONEYWELL BULL
FROM PARIS AND 2 ADDITIONAL PERSONNEL FROM BOEING
AEROSYSTEMS OF WHICH EMBASSY HAD NO INFO UNTIL LAST
MINUTE. SAUDI ATTENDEES ALL TARGETED TO EDP FIELD.
USIS/NTIS PERSONNEL ALSO ATTENDED RECEPTION IN WHICH
ALL GUESTS WERE BLUE CHIP TARGETS.

6. ABOUT 25 APPOINTMENTS WERE MADE FOR SEMINAR

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

PARTICIPANTS IN A FIELD THAT IS LIMITED IN SAUDI
ARABIA. US TEAM SURPRISED AT KNOWLEDGE AND
EXPERTISE OF SAUDIS MET AT RECEPTION, BUSINESS
APPOINTMENTS AND AT CONFERENCE. MOST FELT THAT
COMMERCE BRIEFING WHEREIN POINT MADE THAT KNOW-
LEGABLE SAUDIS WOULD BE FEW DISCOUNTED FACT THAT
EMBASSY WAS CAREFUL TO DIRECT THEM TO PERTINENT
TARGETS AND NOT GENERAL MERCHANTS. YOUNG OF CODEX
AND MCGOVERN INTEND TO COMPLAIN ABOUT COMMERCE BRIEFING AND
LATTER POINT SHOULD ALLAY THIS PROTEST.

7. WILL KING GILLIES OF HONEYWELL COMPLAINED ABOUT
APPOINTMENT MADE WITH LEADING SAUDI FOOD IMPORTER
WHO OWNS SHIPPING LINES, LARGEST CHANDLER IN JIDDA
AND HAS NET VALUE OF $200 MILLION. LOCAL FIRM WAS
INTERESTED IN HAVING COMPUTER SERVICES, NOT
NECESSARILY AGENCY.
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 JIDDA 01789 01 OF 02 071343Z

8. PRINCIPAL DEFECT IN OTHERWISE GOOD TSS WAS NON-
ARRIVAL OF PRESENTATIONS IN ARABIC IN TIME. MEMOREX
AND DATA GENERAL PAPERS RECEIVED ON SECOND DAY
OF CONFERENCE, OTHERS RECEIVED AFTER TSS TEAM
DEPARTED. PRESENTATIONS IN SMALL SEMINAR GROUPS
(18 TO 25 ATTENDEES) WENT EXTREMELY WELL. GRAHAM,
KING GILLIES AND ARROWSMITH PRESENTATIONS STILL
RECEIVING EXCELLENT COMMENT.

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 JIDDA 01789 02 OF 02 071351Z
ACTION NEA-10

INFO OCT-01 ISO-00 EB-08 USIA-15 /034 W
----------071358Z 055816 /44
R 071030Z MAR 77
FM AMEMBASSY JIDDA
TO USDOC WASHDC
SECSTATE WASHDC 7537
INFO AMEMBASSY KUWAIT
AMEMBASSY MANAMA

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

USINT BAGHDAD

UNCLAS SECTION 2 OF 2 JIDDA 1789

9. THOSE REPS OF PARTICIPATING FIRMS ABOUT WHOM WE HAD ONLY LAST MINUTE INFORMATION WERE PARTICULARLY MIFFED ABOUT MISSING BRIEFINGS. ANOTHER PROBLEM IN THIS REGARD IS THAT OUR APPOINTMENTS SEARCH WAS ORIGINALLY ONLY FOR KNOWN LISTED PARTICIPANTS AND LIMITED TO TIMES WHEN THEY WERE NOT MAKING SEMINAR PRESENTATIONS. WITH ADVANCE KNOWLEDGE OF TAGALONGS POST WOULD HAVE BEEN ABLE TO MAKE APPOINTMENTS DURING WHOLE PERIOD INSTEAD OF WITHIN ABOVE LIMITATIONS. NON-LISTED REPS MADE OTHER APPOINTMENTS BUT PROVIDED NO DETAILS. SOME OF SEMINAR GROUP SUGGESTED THAT THEY MAKE OWN APPOINTMENTS TO AVOID WASTE OF SO-CALLED COURTESY-TO-EMBASSY MEETINGS.

10. TSS PARTICIPANTS WERE MOST ANNOYED ABOUT NTIS/ USIS DEMONSTRATION WHICH NEVER SUCCEEDED. LOCAL TELEPHONE WAS TEMPORARILY WIRED TO DEMO ROOM AND THERE WAS EXCESSIVE LOCAL LINE LEAKAGE WHICH GARBLED INCOMING SIGNAL. SEMINAR GROUP FELT THAT US TECHNOLOGY STATURE WAS DEALT SEVERE SETBACK AND POSSIBLY REFLECTED ON THEM AND CREATED NEGATIVE EFFECT ON WHOLE SEMINAR.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 JIDDA 01789 02 OF 02 071351Z

1. ALL PARTICIPANTS, ESPECIALLY BOEING REPS, STATED THAT THEY HAD MORE BUSINESS APPOINTMENTS THAN ANTI- CIPATED. ALL AGREED THAT TWO-MEMBER TEAM IN SUCH A SEMINAR, ONE TECH REP FOR PRESENTATIONS, ANOTHER FOR BUSINESS CALLS WOULD HAVE BEEN IDEAL. IN OUR VIEW THIS TANTAMOUNT TO TWO MISSIONS, ONE A TSS AND SECOND A TRADE MISSION. WE BELIEVE SEMINAR WAS CORRECT AT THIS JUNCTURE.

12. IN ACADEMIC ATMOSPHERE OF KING ABDUL AZIZ UNIVERSITY, DICK SIMMONS OF TEXAS A&M WAS IDEAL LEADER FOR THIS PHASE OF TRIP. HE ALSO PROMOTED DALLAS 1977 NATIONAL COMPUTER CONFERENCE WHICH WE HOPE WILL BE GOOD MULTIPLIER FOR EFFORT HERE. BECAUSE OF SECRETARY VANCE'S TRIP TO RIYADH, POST REGRETS THAT NO VISIT COULD BE MADE THERE. NEVERTHELESS, DESPITE RETICENCE OF HONEYWELL REPS, WE UNDERSTAND THAT SOME- THING SIGNIFICANT MAY HAVE DEVELOPED WITH REGARD TO SALES AND SERVICE TO SAG MINISTRIES THAT COULD CONSERVATIVELY RESULT IN OVER $50 MILLION RETURN. ALL PARTICIPANTS INDICATED INTENTIONS TO RTURN TO SAUDI ARABIA LATER.

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

RUAN ASSISTANCE HIGHLY APPRECIATED.

13. AS A RESULT OF THE UNCOVERING OF A HIGH POTENTIAL FOR FUTURE SALES, WE SUGGEST COMMERCE CONSIDER A 20-FIRM EXHIBIT IN EARLY 1978.

14. BUDGET INFORMATION WILL BE SENT SEPARATELY WHEN ALL DATA IS COLLECTED.
PORTER

UNCLASSIFIED

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977JIDDA01789
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770077-0912
Format: TEL
From: JIDDA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770387/aaaacymh.tel
Line Count: 233
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 3f5781bc-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 14-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3189251
Secure: OPEN
Status: NATIVE
Subject: EDP TECHNICAL SALES SEMINAR, FEB 77 - JIDDA WRAP-UP SUMMARY: THE JIDDA VISIT OF SUBJECT TSS RESULTED IN MIXED REVIEWS ON THE PART OF PARTICIPANTS DE PEN
TAGS: BEXP, BTRA, SA
To: COM STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/3f5781bc-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009